

Nowhere can we see that it would demonstrate the value of local initiative. There seems to be no incentive for local and State governments to strengthen their own programs or make use of their own resources. It would encourage local governments to abdicate responsibility for the administration of their own programs and for finding ways to cooperate voluntarily in desirable metropolitanwide efforts. In short, this bill seems to be aimed at weakening the incentives for strong, intelligent, local government bodies at the very time in our national development when we need them the most.

Counter arguments have been offered, of course. It has been said that these will be local plans, locally administered with Federal financial assistance in the new spirit of creative federalism. We submit that this concept has yet to demonstrate its workability, and an extension of it now would be unwise. One outstanding example of this approach has been the OEO program. We have not been able to attend current hearings, but press reports indicate strong congressional pressure for increased Federal control to avoid the waste and scandal which has accompanied this unsupervised distribution of Federal money.

It was a predictable result which will inevitably occur under such circumstances. It doesn't matter that most of the local administrators were honest and conscientious—they will all be subjected to the stifling effects of the tighter controls. We submit that no program paid for with Federal money can long escape Federal controls.

I would like to comment briefly on title II of H.R. 12946. MBA opposed this measure last year and we continue to feel as we did then, that such a program is undesirable and unnecessary. We attach that portion of our testimony from last year for inclusion in your record.

I will not read it unless requested to do so, but would like it inserted in the record.

Mr. BARRETT. Without objection, it is so ordered.

Mr. GOODWIN. The provisions of section 208 would authorize loans, or the purchase of securities and obligations, of land development agencies; defined as public corporations, including municipalities, for the acquisition of land for future development. This land would not have to be in any metropolitan area, but the Secretary would nevertheless have to approve all plans for its use, including purchase prices and sales prices.

The combination of provisions in title II would give the Secretary authority to control the use of virtually all land in metropolitan areas and any land adjacent thereto which local land development agencies could purchase. Such authority is unprecedented in our history. There is no justification for the supposition that Federal officials are better judges of the proper use of land than local officials, and there is serious danger that the creation of such authority would touch off a serious wave of land speculation.

The land development provisions of title II are wholly unnecessary and a dangerous limitation of our freedom. We urge you to vote against this title of H.R. 12946.

This concludes our formal statement. We shall be happy to answer any questions.